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9 July 1965

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Quarterly Reporting on Personnel Problem Cases

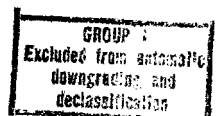
1. Given the terms of reference set forth in paragraph 3 of Col. White's memorandum (DD/S 65-3021), the procedures outlined in the enclosure to the Director of Personnel's memorandum to the DCI dated 16 June 1965 would establish a reporting mechanism that probably would accomplish what the Director desires, although I believe it would be more effective if modified as suggested in paragraph 3.c., below.

2. I agree that some system of periodic and relatively frequent reporting of developing cases of unsuitability is desirable. Such a mechanism should afford a measure of relief from the problem we have repeatedly had of having to cope with problem cases "after the fact." In our survey of personnel security the principal deficiency we uncovered was the fact that many supervisors, particularly at the lower levels, simply did not know much about their subordinates. A quarterly attestation by the supervisor as to the suitability of his subordinates is a device for forcing him to learn more about them.

3. There are hazards in such a system, however. I am troubled by the very same points that Mr. Echols brings out in paragraph 4 of his memorandum to the Director. I see additional problems, some of which arise from the general nature of any such reporting system and some of which stem from the approach the Director of Personnel has taken.

a. We should expect that outsiders will become aware of the existence of such a reporting system. The Congress might accept it as a necessary precaution, but I doubt that the Press would. We should be prepared to face criticism of the system as a further encroachment on the individual's privacy. Service with the Agency is wholly voluntary and the individual is repeatedly made aware that part of the price he pays for the privilege of working with us is the surrender of a measure of the privacy that those in

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nonsensitive positions enjoy. The Director is given statutory responsibility for protection of intelligence sources and methods and he has the authority to take any reasonable measure he feels necessary to carry out that responsibility. If the individual values his privacy more than the privilege of working for CIA, then he is free to seek employment in a nonsensitive agency.

b. In our various issuances on employee suitability we treat on-the-job performance separately from off-the-job conduct. I am convinced that the two are so closely related that such a distinction is fallacious. Many of the problem cases that come to my attention involve inferior performance that has its origins in personality traits that affect job performance. The malcontent who might become a security risk usually is in some sort of trouble on the job. In my opinion, it is just as important to alert senior management, in advance, of a developing problem case involving job performance as it is to warn of signs of deteriorating moral fiber. The fitness reporting mechanism has not proved an effective means of accomplishing this.

c. The Director of Personnel's proposal addresses itself to only a piece of the problem. There is something to be gained from early warning to senior management that a problem is developing. What senior management would want to know in addition, however, is what steps were being taken to correct the anomaly. If the employee's deficiencies are amenable to correction and if we are interested in rehabilitating him, then his supervisor or other appropriate authority must inform him that his faults are recognized, define them to him, and work with him toward their elimination. The reporting system should require the supervisor to certify that the employee has been informed of his weaknesses and should describe the actions being taken to correct the faults.

d. Our fitness reporting mechanism has not proved to be an effective system for conveying a total picture of an individual's suitability for continued employment. I have repeatedly had to deal with termination, surplus, and reduction-in-grade cases appealed to the Inspector General in which the first question asked by the appellee is literally: "Why me? I had no prior warning that there was anything amiss." Usually, from the written record in the Official Personnel Folder, we are hard pressed to reply. The Foreign Service has recently instituted a two-part fitness report form.

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The part that concerns the employee's potential is not shown to him. I understand the new procedure was devised because of State's chronic inability to get honest fitness reports from supervisors. The so-called 701 exercise of 1962 proved to my satisfaction that a similar problem exists in CIA. As you know, we used to have a two-part system in the Agency but abandoned it. Attached at Tab A is a chart comparing fitness reporting policies of the various government agencies. It is apparent that there is little consistency among the several systems. Certain of the policies established in other agencies seem to me to be preferable to our own. One of the major weaknesses I see in our system is that the employee is not allowed access to his Official Personnel Folder in order to review fitness reports over past years. He can trace his career progress, in terms of how it has been evaluated, only by recourse to uncertain memory.

e. I am particularly troubled by the point that over the years we have taken a bit-and-piece approach to the management of personnel evaluation, both as to performance and as to conduct. In December 1962 we established a mechanism for integrating sensitive personnel information into Office of Personnel records. In March 1964 General Carter tackled the problem of supervisory deficiencies in matters of employee performance and behaviour. In May 1964 we established the Personnel Evaluation Board to replace the old Disposition Board. The problem needs a much broader scale attack.

f. Although I recognize that I may be "fighting the problem," I am wary of the unwieldiness of the current proposal. It will require an appreciable amount of executive attention to ensure that the system doesn't collapse under its own weight and become merely another quarterly report that an already report-beridden Chief of Station must get out.

4. It appears to me that it is time to take a fresh look at the whole problem of observing, recording, and reporting on employee suitability: the fitness reporting procedure itself and the various ancillary mechanisms that have grown up over the years. I urge that such a charge be placed upon the Personnel Evaluation Board or a panel of its membership under the chairmanship of the Director of Personnel and with participation by senior line officers from each of the Directorates and by representatives of the Office of Medical Services, the Office of Security and the General Counsel. I would hope to see as an outcome a single, cohesive procedure that could be published as an Agency regulation, rather than as a series of limited-distribution memoranda whose substances are passed on by word of mouth.

[Signature]
J. S. Harman

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Inspector General

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Tab A

	USAF	Army	Navy	Marines	State	CIA	CSC
Ratee MUST see Routine FR at time it is done.						Yes	Yes
Ratee MAY see Routine FR at time it is done.		Yes					
Ratee has right to review his personnel file, which includes past FRs.	Yes	Yes	Yes	Yes			
Separate FR on Potential is done and is NOT shown ratee.					Yes		
Ratee MUST see Unsatisfactory FR at time it is done.	Yes		Yes	Yes		Yes	Yes
Ratee is REQUIRED to reply to Unsatisfactory FR	Yes		Yes				
Ratee is PERMITTED to reply to Unsatisfactory FR.				Yes		Yes	Yes
Rater MUST give advance notice to rates of Unsatisfactory Performance.							Yes
Rater MAY give advance notice of Unsatisfactory performance.	Yes	Yes	Yes	Yes	Yes	Yes	

Note 1 -- CSC also recommends that rates have the right of appeal to a Board of Review.

Note 2 -- CSC recommends a minimum of 90 days, in writing.

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